STATE OF CALIFORNIA — RESOURCES AGENCY

DEPARTMENT OF CONSERVATION
DIVISION OF OIL AND GAS
520 KENTUCKY STREET
BAKERSFIELD, CALIFORNIA 93305
(805) 322-4031

ENCLOSURE 1

EDMUND G. BROWN JR., Governor

Mr. Donald R. Macpherson, Jr.
MACPHERSON OIL CO.
P.O. Box 5368
Oildale, CA. 93388

April 4, 1983

Gentlemen,

On March 14, 1983, the California Division of Oil and Gas recieved primacy over Class II injection wells under the Federal U.I.C. program. This primacy enables the D.O.G. to retain regulatory control over the reinjection of produced oilfield water with certain imposed restrictions and changes. Among these restrictions are non-exempt aquifers which have previously been approved for injection.

Under the new regulations, all injection into these non-exempt aquifers must cease by September 14, 1984. One of these zones is the Olcese zone in Mount Poso field for which our records show you have a currently approved water disposal project.

Should you wish to appeal this decision by requesting aquifer exemption, you may submit an application addressing the attached list of requirements to this office. Your application will then be forwarded to the Environmental Protection Agency for review and decision. Should you choose not to file this information, all injection into the Olcese zone in Mount Poso field must be terminated prior to the September 14, 1984 deadline date.

If you have any questions, please contact this office.

Yours Truly,

A. G. Hluza
Deputy Supervisor

By David Maddox
Associate Oil & Gas Engineer

ATTACHMENT B

CRITERIA TO EXEMPT AQUIFERS

I. Not currently serving as a source of drinking water.

and II. It is mineral, hydrocarbon, or geothermal energy producing or bearing at commercial levels:

A. Declaration aquifer is not a current source of drinking water.

B. Mineral, hydrocarbon, or geothermal energy producing.

or III. TDS level is 3,000 to 10,000 Mg/L TDS and not reasonably expected to supply a public water system.

A. Declaration aquifer is not a current source of drinking water.

B. Depth (2X deepest drinking water well according to DWR).

C. Location

1. Surface distance to existing towns.

2. Ownership of land.

3. Alternate water source (surface and groundwater).

4. Unusual geology.

D. TDS level in formation fluid

E. Yield of water.

or IV. Less than 3,000 TDS. Aquifer situated at depth or location which makes recovery of water for drinking purposes economically or technologically impractical.

A. Declaration aquifer is not a current source of drinking water.

B. TDS level in formation fluids.

C. Yield of water.

D. Depth (3X deepest well according to DWR).

E. Location

1. Surface distance to existing towns.

2. Ownership of land.

3. Alternative water sources (surface + gradient)

4. Unusual geology.

F. Economic analysis.